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25X1

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SECRET

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## CONTENTS

South Vietnam: Situation report. (Page 1)

France: "Back to work" movement fails to materialize. (Page 2)

Communist China: The leadership is still in a state of flux. (Page 3)

India - Southeast Asia: Mrs. Gandhi ends her tour, avoids significant commitments. (Page 5)

North Korea - USSR: Pyongyang repeats its dissatisfaction with the extent of Moscow's support for "revolutionary struggles." (Page 6)

USSR - Communist China: Moscow carefully documents its case against the Chinese leaders. (Page 7)

USSR - East Germany: Moscow reassures Ulbricht of its support. (Page 8)

Czechoslovakia: Party leaders drum up support for the ouster of the conservatives. (Page 9)

Peru: Belaunde's party takes a definite leftist tack. (Page 11)

Sudan: Another unstable government will follow the radical Arab nationalist line of its predecessor. (Page 12)

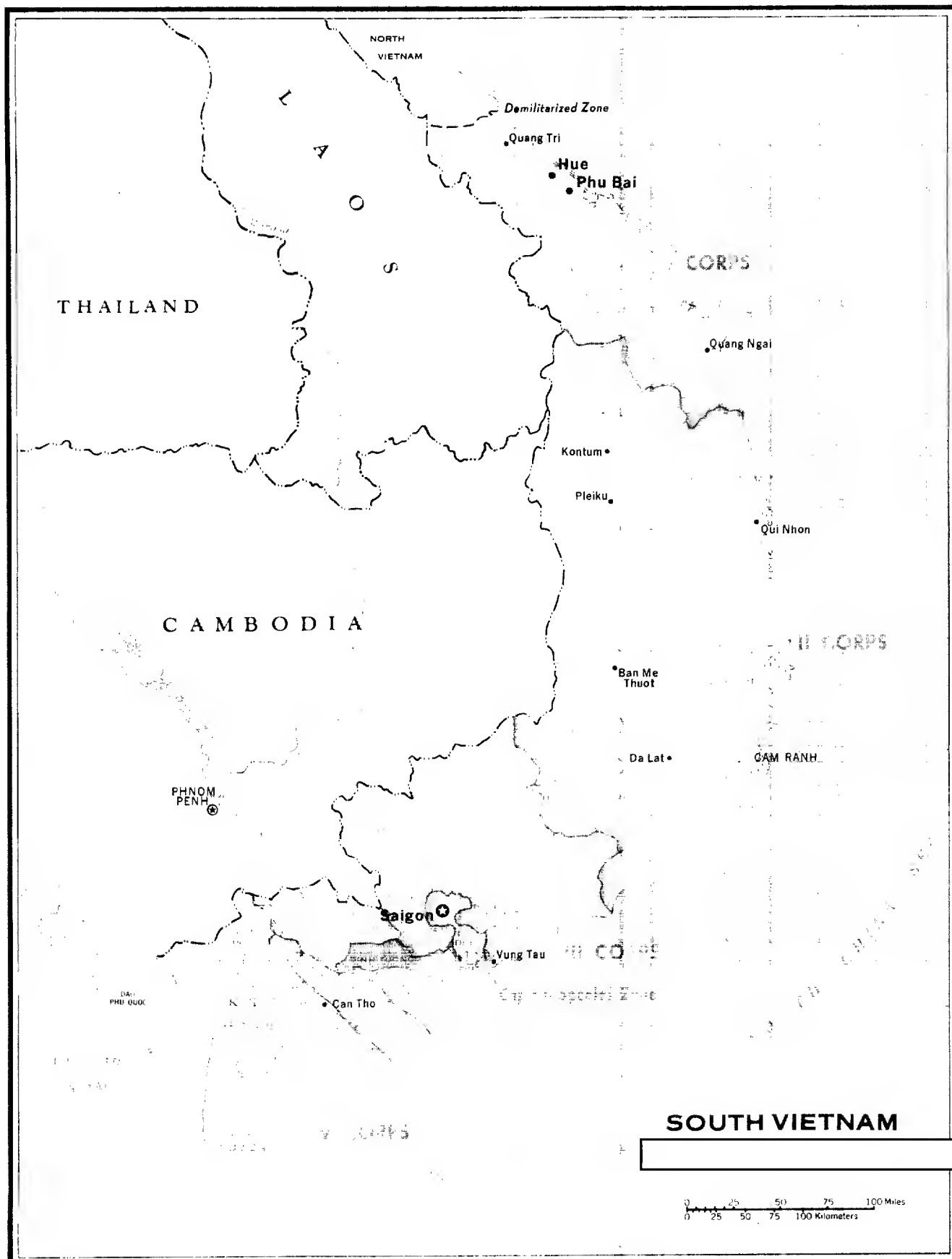
Jordan-Israel: New air strikes and fighting step up tension. (Page 15)

Warsaw Pact: Soviet troops in Czechoslovakia (Page 16)

Turkey: Election results (Page 16)

SECRET

SECRET



25X1

SECRET

SECRET

[ South Vietnam: Sporadic clashes continue on the northern and southwestern approaches to Saigon, and the city received a heavy rocket barrage again last night.

Activity has picked up in the delta province of Dinh Tuong, where US troops in the past two days killed 200 Viet Cong. Engagements in the Hue - Phu Bai area have turned up significant stockpiles of rice from the current harvest as well as weapons. In addition, intensive psychological warfare, suggested by three captured North Vietnamese prisoners, induced another 80 to surrender.

In the highlands allied ground operations and air attacks are apparently delaying a major enemy offensive.

\* \* \* \*

President Thieu has returned the general mobilization bill to the National Assembly with a request for amendments to extend the upper and lower age limits for draftees, eliminate certain exemptions for veterans, and increase deferments among police and revolutionary development cadres. The restrictions in the present bill were drafted in the Lower House and passed by a two-thirds majority. An Upper House version would have allowed the government wide discretionary power. Should the Lower House stick to its guns, it could easily defeat Thieu's amendments which require approval by an absolute majority of both houses meeting jointly.

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5 Jun 68

1

SECRET

SECRET

[France: Holdouts in key industries and public services continue and a massive "back to work" movement has failed to materialize.

Although numerous small plants throughout the country have reopened, many key industries and services--public transport, auto and aircraft, chemicals, steel, metallurgy, postal system, radio-TV--remain shut down. To avoid being outflanked again by militant workers, all of the union leaders are insisting on "consultations" and approval by the strikers themselves of all tentative accords. Most of the agreements hammered out in negotiations over the three-day holiday weekend go somewhat beyond the provisions of the "protocole d'accord" on 27 May. Strikers in some of the key sectors are now voting on whether to accept the agreements.

Meanwhile, tensions appear to be increasing on the student front and moderates are being outmaneuvered by radicals, an increasing number of whom now insist on a complete renovation of society by revolutionary means. Elaborate networks of student-faculty committees have sprung up to draft reform plans, but even those professors who have been striving to work with the students are in many cases growing disillusioned with excessive student demands.

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25X1

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Communist China: Shifts in relative positions of officials attending major receptions in Peking indicate that the leadership is still in a state of flux.

The most significant change disclosed by a namelist of officials at a 3 June reception was the downgrading of Li Fu-chun, the regime's top economist, a subordinate of Chou En-lai, and until now a member of the elite group around Mao Tse-tung. Li was listed among ordinary politburo members instead of in his usual spot among standing committee members.

Nieh Jung-chen, chairman of the National Defense Scientific and Technological Commission and another Chou subordinate, is again being criticized in wall posters. Nieh, in charge of coordinating China's advanced weapons projects, nevertheless continues to appear publicly in his usual spot among politburo members. Poster attacks on the commander of the 2nd Artillery Corps, the unit which may be responsible for strategic missiles, have been reported for the first time from Peking. [REDACTED]

[REDACTED] Nieh and the corps were accused of negligence and squandering resources. The corps commander has never been publicly identified but the corps' political commissar, who appeared regularly and prominently last winter as its spokesman, has been conspicuously absent from all turnouts since the purge of key military figures last March.

Shifts in the order in which military figures are listed in the four most recent major turnouts since March indicate that several have been promoted, demoted, or transferred. The significance of most of these changes is unclear. In general, however, military leaders seem to be in a stronger political position than before. In a break with previous practice, some senior officers who are not politburo

SECRET

SECRET

members are now being listed among Mao's elite ahead of ordinary politburo members.

Military men also continue to dominate the "revolutionary" governments being formed in the provinces. Representatives from all five provinces not yet "revolutionized" attended the 3 June reception. The publicity accorded these men, who are mainly military officers, suggests that they have been selected to head the new government scheduled for their provinces.

25X1

5 Jun 68

4

SECRET



SECRET

India - Southeast Asia: Prime Minister Indira Gandhi's recent 12-day tour of Singapore, Australia, New Zealand, and Malaysia symbolizes India's increasing interest in Southeast Asia, but significant commitments were avoided.

Mrs. Gandhi characterized her trip, the first by an Indian prime minister in the region since the mid-1950s, as a good-will visit aimed at "getting to know India's neighbors better." She kept political statements in the realm of generalities, consistent with the traditional Indian position of peaceful cooperation and nonalignment.

The basic theme of Mrs. Gandhi's public statements was the need to minimize the "cold war atmosphere" in the region. She decried political alliances that lead to antagonistic blocs. She urged the promotion of economic stability as the region's primary requirement. She carefully avoided any suggestion that India was currently prepared to play a role in filling the military vacuum left by the British. An exception was her statement that as a result of Malaysian Deputy Prime Minister Tun Abdul Razak's recent visit to New Delhi military training facilities and equipment would be extended on a bilateral basis.



25X1

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North Korea - USSR: Pyongyang has repeated its dissatisfaction with the extent of Moscow's support for "revolutionary struggles."

The North Koreans chose 28 May, the day a Soviet economic delegation arrived, for a thinly veiled attack on Moscow in the official party journal. The authoritative article stressed Pyongyang's view that the attitude taken by a Communist nation toward the US is the touchstone that distinguishes between a "revolutionary position and opportunism." Similar criticism after the seizure of the Pueblo indicated Pyongyang's apparent dissatisfaction over the limited support it had received from Moscow at that time.

The delegation, headed by Soviet Deputy Premier Novikov, is in Pyongyang to attend the second session of the Soviet - North Korean economic and scientific technical consultative committee.

25X1

5 Jun 68

6

SECRET

SECRET

USSR - Communist China: Moscow is carefully documenting its case against the Chinese leadership, probably with a view toward the world Communist conference scheduled for November in Moscow.

A series of editorial articles in the Soviet theoretical Party Journal Kommunist is preparing Moscow's brief on Mao's heresy in considerable detail. The first two articles dealt largely with Mao's internal policies and the Cultural Revolution. The third, just reviewed in a TASS summary, condemns Chinese foreign policy. The main thrust of the articles so far is that the Maoists have broken with Marxism, are attempting to liquidate the Chinese Communist Party, are motivated by narrow Chinese nationalism, and have departed from all basic principles of socialist foreign policy.

The most recent article specifically accuses the Chinese of attempting to use the Vietnam war to set the USSR and the US "on a collision course," and of harboring expansionist plans "against individual socialist countries, specifically against the Mongolian People's Republic."

At the world meeting the Russians will probably try to assert that Mao, by his own actions, has excluded the Chinese party from the Communist movement. The USSR will encounter formidable obstacles if it attempts to force a formal, multilateral decree branding Peking anathema. The carefully spelling out of the charges in the theoretical journal at this time, however, suggests that Moscow at least intends to read its case into the record.

25X1

5 Jun 68

7

SECRET

SECRET

USSR - East Germany: The Soviets last week reassured Ulbricht of their support.

The communiqué ending the visit of the high-level East German party delegation hit especially hard at Bonn. It again gave Moscow's public support to Pankow's "protective measures" against alleged West German designs on West Berlin. It claimed that the travel bans on certain West German citizens transiting East Germany were fully in accord with Pankow's rights and obligations under existing international agreements.

The use of the word "obligations," however, may have been meant as a signal to Bonn and the Allies that Moscow intends to retain control over East German actions. Soviet officials have privately indicated to Allied representatives that Moscow does not wish a crisis to develop. The "emergency legislation" recently passed in Bonn drew only a propaganda broadside from the USSR, despite fears in some quarters that it would bring a more serious reaction.

The communiqué made only an indirect reference to Czechoslovakia. Nevertheless, its warning to the socialist countries to be vigilant and to close ranks against "imperialist machinations" was obviously made with Prague uppermost in mind. Ulbricht, the most vociferous critic of the recent trend in Czechoslovakia, probably would have preferred something more explicit, but the Soviets have been restraining their comments on the subject since Premier Kosygin's visit.

25X1

SECRET

Czechoslovakia: Party leaders have been drumming up support in key cities for the ouster of conservatives from high party posts, acting as if they no longer expect Soviet pressures on this issue.

Information on the sessions is sparse thus far, but presumably the speakers are following the lead of party first secretary Dubcek who on 3 June addressed some 6,000 activists in Brno. His theme was the rebuilding of the party, and popular confidence in it, largely on the basis of the reformist action program.

For the first time in public Dubcek specifically lashed out at former party boss Novotny and his supporters.

In his speech Dubcek charged the conservatives with attempting to undermine the new regime, even though they had been given a voice in determination of policy. He again held out an olive branch, however, to potential converts.

Dubcek's discussion of domestic problems reveals a heightened sensitivity--possibly reflecting his recent talks with Kosygin--about a number of specific issues which made the Soviets apprehensive about the course of Czechoslovak developments. He agreed with the basic Soviet doctrine, for example, that the world was divided by "class struggle" but in the next breath he reasserted that this precept had no validity in today's Czechoslovakia.

Dubcek also dutifully paid respect to the Soviet line that "some" anti-Communists were attempting to take political advantage of the new climate, but he exuded confidence about his ability to control such elements. In fact, he credited these forces with showing "great restraint" so far. He noted that "hostile" emigrés and intelligence services had lately shown increased interest in Czechoslovak affairs and that "hostile news agencies"

SECRET

were trying to disrupt party unity and relations between Communist states. None of these things seemed to concern him much, and he did not seem to believe--as the Soviet press has charged--that they meant his democratization process was being exploited by the West.

25X1

5 Jun 68

10

SECRET

Peru: President Belaunde's Popular Action Party has taken a definite leftist tack with the nomination of Edgardo Seoane as its presidential candidate for the election next year.

Seoane is first vice president of Peru and the leader of the "hot-head" faction that has controlled the party for a year. In his acceptance speech he blamed the opposition Popular American Revolutionary Alliance for Peru's present economic difficulties and called for new taxes and state regulation of economy and investment. He criticized "rich nations" for imposing unfavorable terms of trade on developing countries.

The national convention also authorized formation of a "broad front with all revolutionary forces of the left," and called for the immediate expropriation of the "industrial complex" of the US-owned International Petroleum Company.

These actions take the Popular Action Party even further away from Belaunde's moderate position. His defense of some of his supporters who were expelled from the party was greeted by hisses. Although Belaunde publicly welcomed Seoane's nomination, further leftward moves by the party could bring a complete rupture between the President and the party leadership.

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Sudan: Another unstable government formed in Khartoum will almost certainly continue to follow the radical Arab nationalist line of its predecessor.

The leftist Democratic Unionist Party (DUP) won a heavy victory in the recently concluded elections for the country's constituent assembly. The DUP, a coalition of the urban-based National Unionist Party and the sectarian People's Democratic Party, was formed last year as a marriage of convenience, and its leaders are still at odds. The DUP's position is further weakened by its necessary but tenuous alliance with one wing of the Umma Party. The Umma is the political instrument of the Ansar religious sect--for over 80 years the major politico-religious force in the country.

After considerable bickering and bargaining, a new cabinet was sworn in on 2 June. The Umma's Mohammad Mahjoub has been reinstated as prime minister, but his mandate will be hampered by the appointment of the left-leaning Sheik Ali Abd-al Rahman as deputy prime minister and foreign minister. Sheik Ali, long a protégé of Cairo and rumored to have both political and financial ties with Peking, probably will try to run the Foreign Ministry despite inevitable efforts by Mahjoub to remain the spokesman in foreign affairs. Mahjoub has sought for the past few years to become the international leader in the Arab world, and prides himself on his sponsorship of the Arab summit that followed the Arab-Israeli war last year.

There may be further bargaining and shifting of cabinet posts. Former moderate prime minister Sadiq al-Mahdi, who lost his own post in the assembly during the elections, will be forced to remain in the wings for some time.

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5 Jun 68

12

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The new government's first mission is to produce a constitution for the Sudan, but it will be unable to achieve this soon. In addition, it faces serious financial problems and a rebellion by the Negroid population of the south.

25X1

5 Jun 68

13

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Jordan-Israel: Yesterday's Israeli air strikes into Jordan and artillery exchanges along the border in the Irbid area further increased tensions on the first anniversary of the June war.

The Israeli air strikes may have been in retaliation for the death of several Israeli civilians during the initial artillery exchanges.

The Jordanians have been nervous for some time over reports of an Israeli buildup in the northern border area. The US defense attaché in Tel Aviv believes, however, that recent Israeli troop movements are precautions against possible Arab terrorist attacks to mark the anniversary. The Israelis are certainly determined to slap down any possible effort by either the terrorists or Arab military units to commemorate last year's debacle with a strike against Israel.

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Warsaw Pact: Soviet signal troop contingents, probably from the neighboring Carpathian Military District, have arrived in eastern Czechoslovakia in preparation for the Warsaw Pact staff-command exercise this month. Prague has described these contingents as "small" and states they will leave the country later in the month. The pact chief of staff, Soviet General Kazakov, arrived in Czechoslovakia a week ago. Kazakov apparently is directing the work of the exercise planning group.

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Turkey: The incumbent Justice Party (JP), with 55 percent of the popular vote, ran well ahead of all other parties in last Sunday's senatorial and local elections but did not do as well as expected. Late returns, however, may somewhat boost the JP total. These results are a further indication that the JP will almost certainly retain power in next year's general elections. The leftist Turkish Labor Party failed to win any of the main contests.

The Turkish press estimated that over 200,000 people, or one out of every 65 eligible voters, were candidates for some office in the elections. At least 19 persons were killed and about 50 injured in widely scattered violence that marred some of the provincial balloting. Most incidents involved family and local rivalries.

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25X1

5 Jun 68

16

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